

For Immediate Release

Contact: Whitney Phillips 202-226-8555

□

HERSETH SANDLIN: □ BILL WILL AID SOUTH DAKOTA CHILDREN, SENIORS, PRESERVE JOBS – WITHOUT ADDING A DIME TO THE DEFICIT

□

Bill Closes Loophole Benefitting Companies That Ship Jobs Overseas; □ Helps Preserve Health Care for Seniors and Prevent Cuts to Education Programs

Washington, DC (August 10, 2010) - U.S. Rep. Stephanie Herseth Sandlin will support H.R. 1586, a bill that will benefit South Dakota seniors and children and, importantly, doesn't add to the national deficit. The bill is fully "offset" through a range of spending cuts as well as through closing a tax loophole that rewards companies for shipping American jobs overseas.

Herseth Sandlin said, "This is about doing the right thing for South Dakota's children and seniors, and the bill won't add a dime to the deficit. It will help preserve access to critical health care for seniors, and can help avoid severe cuts in education for our state's children."

Rep. Herseth Sandlin opposed a previous version of this legislation because it would have added tens of billions of dollars to the national debt. She has consistently fought to pay for our priorities, and the nonpartisan Congressional Budget Office has certified that today's bill is not

only completely offset, but actually reduces the national debt over time.

In addition to including spending cuts, the bill closes a loophole that currently provides a tax benefit incentive to corporations for shipping domestic jobs overseas. Herseth Sandlin said, "For me, this bill is about coming down on the side of South Dakota kids and seniors, and keeping jobs in America."

The bill includes an estimated \$23 million for South Dakota in increased Medicaid funding. Medicaid is an essential program for physicians, hospitals and long-term care facilities, with such facilities often the largest employers in their South Dakota communities. With the state's Medicaid program expected to face a substantial deficit of up to \$36 million in the coming fiscal year, Rep. Herseth Sandlin's office has heard from a range of health care providers in the state strongly supportive of increased Medicaid funding, which will help preserve access to health care for our state's seniors and others.

In February, Governor Rounds was one of 47 governors who signed a joint letter requesting Congress act to protect jobs and speed economic recovery by extending the enhanced federal match for Medicaid for two quarters. As that letter explained, states "continue to face significant budget shortfalls long after the enhanced FMAP provisions expire at the end of this calendar year." Passage of an extension "would greatly assist us in maintaining services and further stabilizing the economy."

The bill also includes approximately \$26 million for education funding intended for South Dakota, again, entirely offset and not adding a dime to the deficit. This funding is aimed at averting cuts to education in South Dakota in the coming year.

###